



June 7, 2010

Mr. Jeff Griffiths  
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Dear Mr. Griffiths:

**Re: 2009 Audits of the City's Community Centres (AOCCs)**

We have completed our audits of the various Community Centres, as specified in the audit proposal with the City of Toronto. The objective of our audits was to obtain reasonable assurance whether the financial statements of the various entities are free of material misstatement, and were not designed to identify all matters that may be of interest to management.

Many of the Community Centres have utilized the services of a person with bookkeeping/accounting experience to assist with their accounting and financial reporting. Generally, the entities prepared satisfactory working papers including fairly extensive variance analysis from budgets.

Of course, many of the entities have less than ideal segregation of duties because of the limited number of accounting staff. In most Centres, the accounting manager has the ability to post journal entries which are not be reviewed other than in the review of financial information provided to the Executive Director and the Boards. Because of this limited segregation of duties, we recommend that the Boards work with their Executive Directors and Accounting/Finance Managers to ensure that the monthly board package includes adequate financial detail for the Boards to fulfill their governance duties. We did note, that in many instances there is evidence of management oversight by the respective Boards. Minutes of meetings reflect careful review of financial results to budget as well as discussion and approval of any major expenditures.

We are pleased to report that we received the co-operation of the various staffs at the Community Centres and that there were no difficulties encountered.

We trust this letter will be of interest to you and the Audit Committee. If there are any questions we would be pleased to discuss any matter with you.

Yours truly,  
**Grant Thornton LLP**



Kirk Vanblarcom, C.A.  
Partner

cc. Executive Directors, Association of Community Centre